

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

June 15, 2010

CERTIFIED RETURN RECEIPT 7004 1160 0003 0190 4420

Jeff Sagers Southwest Stone 2421 West 350 North Hurricane, Utah 84737

Subject: Permit Suspended and Division Directive to Reclaim, Southwest Stone, Dove Creek

Pass Quarry, S/003/0052, Box Elder County, Utah

Dear Mr. Sagers:

Effective immediately, your authority to conduct mining operations at the Dove Creek Pass Quarry (permit S/003/0052), in Box Elder County is suspended for failure to pay the permit fees. For the reasons specified below, you are further directed to commence reclamation of the Dove Creek Pass Quarry. All reclamation work must be completed by October 1, 2010.

Rule R647-3-113.5 allows the Division to require reclamation after five years of continued suspension, and Division records indicate the site has been inactive since the fall of 2000 when the mineral lease with SITLA for this site was terminated (effective October 20, 2000).

If you wish to continue mining at this site, by July 31, 2010, you must:

1. Provide evidence that you have right of entry.

2. Pay the permit fees for 2007 and 2009 (\$300) total. The fee of \$150 for 2010 will be due July 23, 2010 for a total of \$450.

3. Increase the reclamation surety from the current \$18,600 to \$25,000 (an increase of \$6,400).

You may also file a request for a hearing before the Board of Oil, Gas, and Mining to extend the period of inactivity beyond ten years. This request must be filed by August 10, 2010, in order to be on the September Board meeting agenda. To do so, please have your attorney contact Julie Ann Carter, Administrative Secretary, at (801) 538-5277. She can provide the attorney with appropriate guidance and assistance in preparing your formal hearing request.

Failure to meet the deadlines for the options discussed above may result in forfeiture of the reclamation surety and formal enforcement action, including the assessment of civil penalties.



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If you have questions or concerns about this letter, please contact me at 801-538-5261, or Lynn Kunzler at 801-538-5310. Thank you for your cooperation.

Sincerely, RR

Paul B. Baker Minerals Program Manager

PBB:lk:pb

cc: John Blake, SITLA

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